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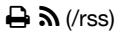
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## Whistleblower Attorneys Sanford Heisler Announce Settlement By Smith & Nephew In Qui Tam Case

Smith & Nephew Agrees to Pay \$8 Million to U.S. in First-Ever Medical Device "Country of Origin" Case



WASHINGTON, Sept. 4, 2014 /PRNewswire/ -- Sanford Heisler LLP today announced that U.K.-based medical device manufacturer Smith & Nephew has agreed to settle a *qui tam* suit and pay the United States government eight million dollars. Sanford Heisler represented a Relator, Sam Cox, and sued Smith & Nephew in the U.S. District Court for the Western District of Tennessee under the whistleblower provisions of the False Claims Act for violating the Trade Agreements Act (TAA). The whistleblower provisions permit private citizens known as "Relators" to bring lawsuits on behalf of the U.S. and receive a portion of proceeds of any settlement or judgment.

The TAA requires Government contractors to certify that they will only sell products to the Government that originate in the United States or a country that has signed a trade agreement with the United States. The law gives a preference to companies that sell products manufactured in the United States or in a country that is a trading partner. In this case, Smith & Nephew violated the TAA by selling products that were manufactured in Malaysia, which is a country that has not executed a trade agreement with the United States.

This is believed to be the first TAA settlement involving a medical device company. David Sanford, Chairman of Sanford Heisler, said that this settlement represents the right result for all parties and it "reaffirms the vital role that whistleblowers play in uncovering fraud against the government."

H. Vincent McKnight, Jr., Co-Chair of Sanford Heisler's whistleblower practice, said, "Today's settlement sends a clear message to those medical device companies that routinely violate the Trade Agreements Act by misrepresenting the "Country of Origin" of goods sold under contract to U.S. Government agencies." McKnight continued: "This inaugural settlement will create a ripple effect for other medical device companies that choose to turn a blind eye to their obligations under the Trade Agreement Act. The Government has turned its attention to these flagrant violations and is stepping up enforcement."

The United States Government declined to intervene, and the relator, Sam Cox, opted to litigate the case without the assistance of the Government. Grant Morris, Of Counsel to Sanford Heisler and the attorney who assisted the relator in bringing the fraud to light, said, "Mr. Cox should be commended for having the courage and integrity to expose this wrongdoing and the tenacity to fight this battle on behalf of the United States."

Sanford Heisler expressed gratitude to the U.S. Department of Justice, which was instrumental in crafting a settlement at the end of a hard-fought and expensive litigation. Mr. McKnight said, "This is another example of the private-public partnership created by the False Claims Act working together to redress fraud. The government team was essential in securing this result."

### About Sanford Heisler

Sanford Heisler LLP is a public interest class-action litigation law firm with offices in New York, Washington, D.C., and San Francisco, specializing in civil rights and general public interest cases, and representing plaintiffs with whistleblower, employment discrimination, labor and wage violations, predatory lending, consumer fraud, and other claims.

Sanford Heisler has an impressive history of success in qui tam, or whistleblower cases brought under the False Claims Act, having represented whistleblowers in a 124 million dollar qui tam settlement with Omnicare, Inc., a 762 million dollar global qui tam settlement with Amgen, Inc., and a 23.5 million dollar qui tam settlement with Medtronic, all with the assistance of the U.S. Department of Justice. In addition, Sanford Heisler has filed over 20 other whistleblower actions now pending throughout the United States, and is currently investigating and drafting additional matters across the United States.

Along with a focus on False Claims Act and other whistleblower cases, Sanford Heisler also represents individuals in employment disputes and has achieved particular success in the representation of executives in such disputes. For example, the Firm secured the largest jury award in U.S. history in an employment discrimination case, winning more than \$250 million dollars for 7,000 female employees at Novartis Pharmaceuticals Corporation.

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